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New York

President: The Hon. Julian R. Hunte ..... (Saint Lucia)

In the absence of the President, Mr. Alimov (Tajikistan), Vice-President, took the Chair.

The meeting was called to order at 3.05 p.m.

Agenda item 14 (*continued*)

Report of the International Atomic Energy Agency

(a) Note by the Secretary-General transmitting the report of the International Atomic Energy Agency (A/58/312)

(b) Draft resolution (A/58/L.10)

Mr. Kmoníček (Czech Republic): At the outset, I would like to thank Mr. ElBaradei, Director-General of the International Atomic Energy Agency (IAEA), for his informative and comprehensive opening statement highlighting the Agency's achievements during the period under consideration.

I would like to reaffirm that the Czech Republic associates itself with the statement delivered by representative of Italy on behalf of the European Union. Allow me, however, to make some additional observations regarding the latest developments in my country, mainly in the area of technology and safety and concerning Czech involvement in international cooperation in the field of the peaceful uses of nuclear energy.

The main issues in the area of the peaceful uses of nuclear energy relate to global security and to the role of nuclear energy in sustainable development. There is no doubt that it is in the common interest of humankind to maximize the benefits and minimize the risks emanating from nuclear sciences and their applications. The Czech Republic expects that the IAEA will continue to serve the needs of the international community while endeavouring to achieve that paramount objective.

The commissioning of two Temelin nuclear-power plants has been a prominent issue in the past few years with respect to the use of nuclear energy in the Czech Republic. We welcome the fact that the excitement has died down and that the issue can now be dealt with on its own merits by experts.

Both Temelin units are operating at 100 per cent power, and the trial operation phase is continuing. Of course, there is still quite a challenge facing the plant operator to complete transfer of the units from the construction and commissioning phase to the mode of standard operation and to establish the highest possible standards of operational safety while maintaining sufficient operational efficiency. But this is usual for any new unit at the start of its operational life.

Already, a considerable amount of experience has been gained with the Temelin nuclear power plant. We are prepared to share it with all who may be interested. But I would like to mention here at least one of the lessons learned. The Temelin plant could not have been completed without the broad use of international cooperation by all parties involved in the project. Vendors from more than 10 countries were represented

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on the side of the construction licence holder, most of them taking part in significant safety improvements to the original project.

Close cooperation by the national regulatory authority with its partners in several countries and with various international agencies allowed for an independent peer review during the different phases of the authorization process and, last but not least, contributed to the high level of transparency. The criticism by some of an unfeasible mix of technologies and approaches proved unjustified in the end. The clue to success was the ability to integrate and coordinate the project.

Moreover, any new project, today or in the future, will have to be designed on such a cooperative basis. We have to take note of that fact and review and modify our networks and platforms of cooperation in line with this trend without delay. It does not matter if we speak about other issues such as knowledge maintenance, common safety standards and fuel cycle back-end. The subject remains the same, and working together we have a better chance to control the situation and influence the result. In that regard, we should further explore how to better use the assets we have in the International Atomic Energy Agency (IAEA).

The Czech Republic is prepared to actively contribute to any efforts that could lead to an increase in capacities and experience sharing in the safe use of nuclear energy. In that respect, allow me to use this opportunity once again to express words of appreciation to the Agency for its prompt and professional response to our requests for an independent third-party peer review of various phases of the construction of the Temelin nuclear power plant.

In that context, the Czech Republic recognizes the importance of technical cooperation among IAEA member States. With the aim of supporting such endeavours, a number of Czech organizations and individual experts have actively taken part in the technical cooperation programme and other Agency-sponsored activities. In addition, as in previous years, the Government of the Czech Republic offered additional financial resources for extrabudgetary support of various Agency activities.

In the framework of the IAEA technical cooperation programme the Czech Republic contributed to four projects in countries of the former Soviet Union in 2003. Themes of these projects vary from nuclear power plant safety in Armenia and Ukraine, to radiation protection issues and medical applications in Moldova, to the safety of the research reactor in Tashkent, Uzbekistan. The Czech Republic has co-sponsored the training of more than 80 experts from around the world in the area of radiation protection and radioactive waste safety. Furthermore, the Czech Republic has supported, through in-kind contributions, seven training courses and workshops organized in the Czech Republic by the IAEA since last September.

Security issues are of utmost importance in today's world. In addition to a variety of actions inside the country, the Czech Republic decided to contribute to the IAEA Nuclear Security Fund. That is in line with our long-term strategy to support concerted actions in reaction to common problems.

Last but not least, in spring of this year the Czech Republic joined the IAEA Safeguards Support Programme by signing the relevant cooperative arrangement. In the midterm plan worked out by Czech and Agency experts, specific areas have been identified where the Czech Republic can join the efforts of the other 16 participant States and contribute to further enhancement of the Agency's safeguards. By that step, the Czech Republic shows clear evidence of our full commitment to the global process of securing nuclear weapons non-proliferation.

In conclusion, let me reassure the Assembly of my Government's continued commitment to supporting and expanding the Agency role in international cooperation and in the peaceful and safe use of nuclear energy and ionizing radiation for the benefit of all Member States.

Mr. Kryzhanivsky (Ukraine): It is with great interest that Ukraine acknowledges the report of the International Atomic Energy Agency (IAEA) for the year 2002. We welcome the statement of the Director General of the International Atomic Energy Agency, in which he provided additional information on the main activities of the Agency during 2003. Using this opportunity, I would like to congratulate the IAEA secretariat and Director General Mohamed ElBaradei on the excellent work done by the Agency.

The draft resolution on the report of the International Atomic Energy Agency (A/58/L.10), which Ukraine welcomes, represents a broad agreement

reached among Member States in Vienna, and we hope it can be adopted by consensus. We welcome the outcome of the forty-seventh session of the IAEA General Conference held in Vienna from 15 to 19 September 2003.

Ukraine is strongly committed to the three pillars — nuclear safety, technology and verification and security — which form the basis of the Agency's mandate. Ukraine believes that global implementation of an effective system of strengthened safeguards will deliver universal security benefits. In Ukraine's view, the Agency's verification and promotional activities are mutually reinforcing in nature. Strengthening the credibility of the Agency's verification system promotes confidence in nuclear science and technology.

The comprehensive nuclear non-proliferation regime, of a universal character and backed by a strong system of international safeguards requiring States to properly account for and control nuclear materials, forms an essential basis for international efforts to maintain collective security. We are convinced that it is the responsibility of Member States to promote the universality of the non-proliferation regime and to ensure compliance with international instruments in that field.

In that connection we would like to express our deep concern over the decision of the Democratic People's Republic of Korea to withdraw from the Treaty on the Non-Proliferation of Nuclear Weapons (NPT) and to renounce its obligations under the safeguards agreement. We regard such actions as jeopardizing the global non-proliferation regime. We believe that North Korea should relinquish its nuclear ambitions and readmit IAEA inspectors as soon as possible so as to finally enable the Agency to verify the correctness and completeness of the initial declaration of nuclear material made by the Democratic People's Republic of Korea.

Ukraine continues to consider the Additional Protocols as an integral part of the IAEA safeguards system; adherence to them is an essential means of providing strict fulfilment of the obligations under article III of the Non-Proliferation Treaty. We fully endorse measures envisaged by the Additional Protocol.

As of today, preparatory activities for the ratification of the Additional Protocol signed by Ukraine in 2000 are under way. Sharing concerns expressed by the Director General, we call upon States parties to the NPT which have not yet entered into safeguards agreements to fulfil their obligation under article III of the Treaty to conclude comprehensive safeguards agreements.

Ukraine also wishes to recall its concern regarding the continued existence of unsafeguarded nuclear facilities and materials in States that are not parties to the NPT or equivalent treaties. Ukraine calls upon those States to place all their nuclear activities under IAEA safeguards.

The Agency has an essential role to play in combating the threat of terrorism. We commend the IAEA Director General and the Agency's secretariat for quickly responding to this challenge by reinforcing and re-orienting some of its ongoing activities and then by presenting plans for activities aimed at helping member States secure a nuclear security framework for nuclear installations. We believe that an enhanced physical protection regime, the safe storage of nuclear materials, the prevention of their illegal trafficking, the improvement of their record-keeping and control, combined with other measures to increase the efficiency of the IAEA control system, will make it possible to deny terrorists and their accomplices access to hazardous materials.

The primary responsibility for ensuring necessary nuclear security clearly rests with member States. The activities of the Agency can only support national measures to counter nuclear terrorism. Technical cooperation programmes are already playing an important role in upgrading safety and security and, in that context, will also be a valuable instrument.

The 1995 and 2000 NPT Review Conferences identified the conclusion of a Fissile Material Cut-Off Treaty as one of the most urgent disarmament and non-proliferation steps the international community should take. We commend the Agency for its ongoing contribution to the dialogue on possible verification requirements for that Treaty.

As a full-fledged State party to the Comprehensive Nuclear-Test-Ban Treaty, Ukraine joins in the call for its swift entry into force.

We welcome the Agency's progress in strengthening the Code of Conduct on the Safety and Security of Radioactive Sources. There is an obvious

need to further improve controls of high activity sources to protect against the risk of radiological terrorism.

Ukraine supports the work of the Agency to amend the Convention on the Physical Protection of Nuclear Material. We call on all delegations participating in this process to work constructively to achieve consensus on outstanding issues.

My country ranks among those that operate peaceful nuclear facilities. According to its national energy strategy plan, nuclear energy will remain, in the medium term, a substantive source of our energy production. The safe operation of nuclear facilities continues to be our utmost priority. With that in mind, I would like to emphasize the very important role of the IAEA in providing technical assistance to member States and to note considerable progress in increasing the efficiency of technical cooperation programmes. Ukraine actively participates in the Agency's national and regional technical cooperation projects, giving high priority to projects related to nuclear safety, the management of resources and the extension of life cycles of Ukrainian nuclear reactors. We also pay due attention to issues of application of nuclear technologies in industry, medicine and agriculture.

My delegation expresses its appreciation to the IAEA and the United Nations for their initiative in addressing the Chernobyl problem, in the context of efforts to resolve issues connected with the transformation of the "shelter" into an ecologically secure system, and the minimization of nuclear and radioactive risks from the destroyed fourth nuclear reactor at the Chernobyl Nuclear Power Plant. Ukraine is deeply convinced that the work of the established panel of experts to discuss existing modalities and concerns of the Chernobyl problem will provide valuable guidance for adopting practical measures as an integral element of the regional sustainable development plan.

Ukraine is well aware of the increasingly difficult context in which the Agency must finance its statutory obligations under the regular budget. Every effort should be made to ensure that the IAEA has adequate financial resources. The Agency's safeguards budget needs to be increased so that it can implement the effective safeguards we need.

The Ukrainian Government fully supports the Director General in his continued efforts to improve the Agency's effectiveness. A results-based approach to budgeting requires strong management and a clear definition of cross-cutting activities. Enhanced cooperation and coordination should be encouraged between departments, leading to greater synergy and better use of resources — human as well as financial.

Finally, let me assure the Assembly that Ukraine fully supports the role the IAEA plays as the competent authority for the verification of compliance with the international nuclear non-proliferation regime, as well as its role in promoting the safe usage of nuclear technologies for peaceful application in member States that have chosen to use that technology. It is of critical importance that member States maintain the momentum of the Agency's work on strengthened safeguards and other verification activities.

Nana Effah-Apenteng (Ghana): At the outset, allow me to express my appreciation to Mr. Mohamed ElBaradei, Director General of the International Atomic Energy Agency (IAEA), for his introduction of the report of the Agency for 2002, and especially for his lucid account of other major developments since the date of issuance of the report.

The IAEA, as the world's foremost intergovernmental forum for scientific and technical cooperation in the peaceful use of nuclear technology, has displayed admirable steadfastness in the wake of diverse challenges and its apt responses to pertinent needs arising from the harnessing of this technology.

Presently, the Agency's broad spectrum of services, programmes and activities, based on the needs of its 136 members, has contributed its share in promoting sustainable development. My delegation is pleased to note that it has been unwavering in fostering worldwide cooperation in the peaceful uses of nuclear technology and in promoting global nuclear safety through its verification activities. Peaceful uses of nuclear technologies, particularly in helping fight disease, enhancing agricultural production, the preservation of food, managing water resources and monitoring the environment, are key in global developmental efforts.

The annual report for 2002 gives a clear indication of how the Agency actively continued to promote research and development on innovative nuclear reactors and fuel cycles, which injected new vitality into the development and peaceful uses of nuclear energy. The Agency has invested considerable

resources in the establishment and improvement of safety criteria to cover all kinds of nuclear activities. Furthermore, through technology transfer and capacity-building, the Agency has forged strategic technical cooperation partnerships, which are needs-driven and therefore focus on the demands of member States.

Ghana, through its Atomic Energy Commission (GAEC), has attempted to encourage and promote the commercialization of research and development results by aligning the Commission's research activities with the needs of the country. This has called for close collaboration between the GAEC on the one hand, and industry and the other productive and social sectors on the other. Under the auspices of the three main operational institutes set up by the Commission -the National Nuclear Research Institute, the Radiation Protection Institute and the Biotechnology and Nuclear Agriculture Research Institute — a number of research activities were undertaken during the year with the aim of having a positive socio-economic impact. These included projects related to animal nutrition, production and health research, radiotherapy, nuclear medicine, gamma irradiation of food and medical products.

In addition to these activities and as part of efforts to harness nuclear and biotechnology techniques for socio-economic advancement and self-reliance, the Commission has established a business development unit to identify demand-driven research and development activities and services and prepare business plans to address such activities and services in a cost-effective manner. To enable it to achieve these objectives, the unit has also been assigned the responsibility of planning and coordinating all capital mobilization activities, introducing nuclear technologies to the public, negotiating the sale of technologies and arranging partnerships with relevant stakeholders.

Finally, under the framework of the African Regional Cooperation Agreement for Research, Development and Training related to Nuclear Science and Technology, the facilities and equipment of the Ghana Atomic Energy Commission have been used for the training of students from Ghana's universities and of researchers from Ghanaian and other African institutions through regular training programmes sponsored by the Agency. Ghana is especially committed to the latter project, in view of the difficulties it has been experiencing with the retention of trained personnel.

At this juncture, my delegation would like to point out that those activities could not have been successfully carried out without the help of the Agency, which has consistently promoted programmes aimed at transferring mature and established technologies from developed countries to less developed ones, through its Technical Cooperation Programme. I therefore wish to place on record Ghana's appreciation for the technical assistance provided by the Agency and look forward to further fruitful cooperation in the years ahead. It is for this reason that the Ghana delegation urges all member States and donor organizations to pay their contributions on time, so that the Agency will be financially able to continue with this much needed and greatly appreciated programme.

One of the most pertinent issues facing the IAEA today is the need to strengthen the Agency's safeguards system for verification, which increases the likelihood of detecting any clandestine nuclear weapons programme in breach of international obligations. Adherence by all States to the strengthened safeguards system is a crucial component of this endeavour. It is only through the widest possible application of the strengthened safeguards system, based on relevant agreements and additional protocols, that the full potential of the system will be realized. In this connection, I am pleased to state that the Parliament of Ghana has now ratified a number of IAEA protocols. However, it should be noted that, even before ratification, Ghana had been complying fully with the provisions of the Treaty on the Non-Proliferation of Nuclear Weapons (NPT) and its Additional Protocols. We would like to encourage all Member States who have yet to do so to conclude the relevant safeguards agreements and additional protocols with the Agency.

It is the firm conviction of my country that nuclear disarmament is still a priority issue in contemporary international relations. That is why we view with great concern the fact that progress on nuclear disarmament and on the programme of work of the Conference on Disarmament has been rather slow. Nuclear weapons are weapons of mass destruction. All nuclear weapons must therefore be decommissioned with a view to creating a peaceful and a safer world. It is our duty to humanity to increase nuclear-weapon-free-zones in all regions of the world. Non-nuclear-weapon States must also be assured that they will not

become victims of nuclear-weapon strikes. We do not subscribe to the view that there are some "highly responsible" States that deserve to have a monopoly over nuclear technology. Such a policy — bordering on the unbridled use of a double-standard — will undermine the Treaty on the Non-Proliferation of Nuclear Weapons and the nuclear safeguards regime of the IAEA, thereby fuelling the ambitions of certain States to join the ranks of the nuclear-weapons elite.

My delegation wishes to reiterate its principled position that, although the primary responsibility for nuclear safety rests with national Governments, international cooperation in this area is vital. Ghana welcomes the Agency's attempts to help Member States to reinforce nuclear safety infrastructure facilities, as well as to improve related laws and regulations. The preparation of a code of conduct and the exploration of possible means of strengthening the system for monitoring the safety of research reactors is a step in the right direction. Ghana also calls for the universal application of the Agency's safety standards and their incorporation into national rules and regulations.

With the ever-increasing threat of nuclear terrorism in the world, the importance of IAEA activities aimed at protecting States against such despicable conduct is well noted. Attention has rightly been given to concrete and practical steps that would provide for the enhanced protection of nuclear materials and their safe and secure storage. We welcome, in particular, the preparation of an action plan for the prevention of nuclear terrorism. However, in seeking to mitigate this threat, equal emphasis must be placed on the three main pillars of the Agency's activities. Efforts in this regard must equally be matched by efforts to promote non-proliferation and the developmental activities of the IAEA, especially in developing countries.

In conclusion, years of experience have shown that nuclear technology can play an important role in our quest to achieve sustainable development. Through the various peaceful uses of nuclear technology, countries can increase social welfare and alleviate poverty, which will, in turn, help us to meet the Millennium Development Goals. Ghana looks forward to enhanced cooperation with the IAEA in the coming years.

Mr. Ismail (Malaysia): I join others in thanking Mr. Mohamed ElBaradei, Director General of the International Atomic Energy Agency (IAEA), for his presentation to the General Assembly of the annual report of the Agency for 2002. Allow me also to thank Ambassador Antonio Núñez Garcia-Saúco of Spain, current Chairman of the Board of Governors, for introducing draft resolution A/58/L.10.

Malaysia recognizes the value of nuclear technology for the achievement of sustainable development and the process of nation-building. We reaffirm our support for the IAEA in its mission to promote and facilitate the development of nuclear technology for peaceful uses, as embodied in article II of its statute. In our view, the Agency's Technical Cooperation Programme remains a crucial component of its mandate and activities. Malaysia is a beneficiary of this programme, and we commend the Department of Technical Cooperation of the IAEA for its continuous efforts in discharging its statutory mandate for the benefit of the recipient member States and for its creditable achievements.

We are gratified that in 2002, there was an increase in the budget of the technical cooperation programme to an all-time high of $98.1 million. However, we note with great concern that payments to the Technical Cooperation Fund (TCF) fell below the 85 per cent rate of attainment set for 2002. We hope that this situation will not repeat itself in the future. We trust that Member States, especially the major donors, will continue to support the inalienable right of countries to develop peaceful uses of nuclear energy.

Malaysia attaches great importance to the issue of nuclear safety, including the issue of the shipment of high-level nuclear waste. The risk posed by such shipments to coastal States is immensely hazardous and could have potentially fatal consequences. This must also be given due recognition by the international community in accordance with the relevant provisions of international law. Malaysia therefore values the opportunity for further dialogue on this issue. The International Conference on the Safety of Transport of Radioactive Material, held in Vienna from 7 to 11 July 2003, provided a good forum for such a dialogue. In that connection, Malaysia welcomes IAEA General Conference resolution GC(47)/RES/7A concerning measures to strengthen international cooperation in nuclear, radiation, transport and waste safety, including those aspects relating to maritime safety and the

request to develop an action plan based on the results of the Conference.

Like others, Malaysia recognizes the threat posed by nuclear terrorism to public safety and the security of States. We agree that the international community must collectively work out and implement new and stronger measures to prevent terrorists from acquiring nuclear weapons and using them to achieve their objectives. In that regard, we welcome the Agency's efforts in promoting nuclear security, in particular in providing assistance and technical support to States. We especially welcome the efforts to improve and innovate, and to design new IAEA services provided to States to upgrade nuclear security, including the International Physical Protection Advisory Service, the International Nuclear Security Advisory Service and the International State System of Accounting and Control Advisory Service.

While measures to promote nuclear security and combat nuclear trafficking should be stepped up, serious efforts should also be made towards achieving the total elimination of nuclear weapons to provide an absolute guarantee against the use of such weapons in terrorist activities. The intrinsic link between this question and the larger question of terrorism as a whole must also be addressed.

The IAEA is also entrusted with the mandate of verifying that peaceful nuclear technology is not transformed to fulfil military purposes. Its safeguards system is a major element of the nuclear non-proliferation regime. Malaysia supports the verification activities of the Agency in accordance with article III of the Treaty on the Non-proliferation of Nuclear Weapons (NPT). As a State party to the NPT, Malaysia maintains the conviction that the continued existence of nuclear weapons poses a threat to mankind and that their use would have catastrophic consequences for our civilization. In that connection, Malaysia is committed to pursuing the non-proliferation and total ban of nuclear weapons, including new types of nuclear weapons. We strongly believe that the absolute goal of a nuclear-free world must remain high on the international disarmament agenda. The continued possession, proliferation and improvement of nuclear weapons should be a source of great concern to the international community in the light of the grave danger that they pose to international peace and security. We believe that the States parties to the NPT must genuinely revisit the issue of compliance by both nuclear and non-nuclear weapon States at their 2005 review conference and in that conference's preparatory process.

The nuclear issue in the Korean peninsula is of concern to Malaysia. We support efforts to address the issue peacefully among the concerned parties. In that connection, we welcome the recent efforts to resume the six-party talks in the near future. We hope continued dialogue among the parties will result in a nuclear-free Korean peninsula.

Malaysia welcomes the submission of Iran's declaration to the Agency with regard to its nuclear programme and its decision to complete an additional protocol. We note that the Agency has started its intensive verification process and is making good progress. We look forward to the Director General's submission of the next report to the Board of Governors in November. We encourage Iran and the IAEA to continue to strengthen the cooperation between them to resolve the issue amicably.

Malaysia keenly looks forward to the resolution of another issue that is on the agenda of the Agency: the verification of Iraq's weapons of mass destruction, including its alleged nuclear weapons programme. Malaysia is of the view that a resumption of the mandate of the IAEA and the United Nations Monitoring, Verification and Inspection Commission (UNMOVIC) in Iraq could help in allowing the two bodies to conclude their work of verifying and making an independent assessment of the existence of Iraqi weapons of mass destruction. We note that the Agency had recently made an appeal for it to be given the opportunity to resume its mandate.

The three main pillars of the IAEA's mandate and activity are verification, technical cooperation and safety and security. In discharging its statutory mandate, the Agency has to preserve the balance between prohibiting the diversion of peaceful uses of nuclear technology to military purposes and the legitimate right of States to exploit the benefits of nuclear technology for peaceful uses to achieve sustainable development. The Agency's vitality will depend on how it meets the expectations of all its constituents. Malaysia reaffirms its commitment to cooperate with the IAEA to achieve those objectives.

Mr. Hu Xiaodi (China) (*spoke in Chinese*): At the outset, I would like to thank Mr. ElBaradei, Director General of the International Atomic Energy

Agency (IAEA), for introducing the report on the work of the Agency in 2002.

Over the past year, with the concerted efforts of the IAEA secretariat and member States, the Agency has done a remarkable job towards realizing the two major objectives of its Statute: preventing nuclear-weapon proliferation and promoting peaceful uses of nuclear energy. We are satisfied with the overall efforts of the Agency, and we would like to congratulate its secretariat on the achievements made under the leadership of Director General ElBaradei. We hope that the Agency will further strengthen its technical cooperation activities and adopt effective measures to promote peaceful uses of nuclear energy in all areas.

As a member of the IAEA, China has actively supported the Agency's work in all areas. In the sphere of non-proliferation, China has supported the Agency in strengthening safeguards and consolidating the international non-proliferation machinery. In March 2002, China completed the legal procedure for the entry into force of an Additional Protocol between China and the Agency, the first among the five nuclear-weapon States to do so, and has since presented relevant declarations to the Agency. We call on all countries with major nuclear activities to sign and ratify additional protocols as soon as possible. The Chinese Government and the Agency have agreed to open a training course in China early next year on nuclear-material accountancy and control.

China fully endorses the Agency's efforts to enhance the physical protection of nuclear material. In collaboration with the Agency, a training programme on the physical protection of nuclear material facilities was successfully held in China at the end of last year. China contributed $100,000 in kind to that event.

As a developing country, China has taken an active part in the Agency's promotional activities. We have contributed $1.09 million to the Technical Cooperation Fund and $110,000 to activities of the Regional Cooperative Agreement for the Asia-Pacific region. Every year, China hosts dozens of training courses, seminars, academic conferences and other promotional activities and receives experts sent by the Agency for further training. We stand ready to continue contributing, within our capacity, to all activities of the Agency.

Now, I wish to speak briefly on the position of the Chinese Government on the Korean peninsula nuclear issue and the implementation in Iran of the safeguards agreement under the Treaty on the Non-Proliferation of Nuclear Weapons (NPT).

China's consistent position is that the Korean peninsula should be nuclear-weapon free, that peace and stability there should be maintained, and the issue should be resolved peacefully through dialogue. Thanks to the joint efforts of China and other parties concerned, six-party talks were held in Beijing from 27 to 29 August this year, following the three-party talks in Beijing in April. That marks an important step towards a peaceful solution. Important consensus was reached during the talks, and the parties agreed to resolve the nuclear issue through peaceful means and dialogue. They maintained that the Korean peninsula should be nuclear-weapon free and that the security concerns of the Democratic People's Republic of Korea should be taken into consideration. The parties agreed in principle that an overall solution should be sought in a simultaneous and incremental manner.

In the negotiating process, all actions or words that might aggravate the situation should be avoided. Dialogue should continue so as to enhance trust, reduce differences and broaden common ground. The parties agreed to further talks and agreed that the specific date and venue should be decided through diplomatic channels as soon as possible. China believes that, as a result of the six-party talks, the objective of a nuclear-weapon-free Korean peninsula has been set. The process towards a peaceful resolution has begun and the principle of simultaneous and incremental resolution has been extensively recognized. At present, all parties concerned should exercise restraint so as to create an atmosphere and conditions that are conducive to continued talks. While having one's own concerns in mind, it is important to pay attention to and address the other parties' legitimate concerns. China is now working with all other parties for an early opening of the next round of six-party talks. We hope that the parties concerned will demonstrate a spirit of conducting consultations as equals and of reconciliation for an early and peaceful settlement through dialogue, thus laying a good foundation for lasting peace and stability in North-East Asia.

With regard to the implementation of the NPT safeguards agreement in Iran, China has stood all along for the non-proliferation of nuclear weapons and has held that all non-nuclear-weapon States parties to the NPT must not develop or possess nuclear weapons, in

strict observance of the Treaty. Meanwhile, States parties are entitled to the right of peaceful uses of nuclear energy under strict IAEA safeguards. We always maintain that Iran should fully cooperate with the Agency, make all its nuclear activities transparent to the Agency and sign an additional protocol at an early date.

We are pleased to note that Iran has recently cooperated with the Agency more closely. It has submitted all documents concerning its nuclear activities and has expressed willingness to sign and ratify an additional protocol and to suspend uranium enrichment and reprocessing activities. China welcomes and appreciates those positive measures. We hope to see Iran's early fulfilment of its relevant commitments. We appreciate the efforts made by the French, German and British foreign ministers and by other countries in seeking a solution to this issue. It is our hope that this will lead to a timely and appropriate resolution of this issue within the framework of the IAEA.

Mr. Tesch (Australia): I would first like to thank Director General ElBaradei for his comprehensive statement on the achievements of the International Atomic Energy Agency (IAEA), and his preview of the challenges the Agency will face over the coming year. We would also like to register our appreciation for his focused leadership throughout this challenging year for the Agency. Australia is strongly committed to the three pillars which form the basis of the Agency's mandate: safety and security, science and technology, and safeguards and verification. Australia believes that the global implementation of an effective system of strengthened safeguards will deliver substantial security benefits. In Australia's view, the Agency's verification and promotional activities are mutually reinforcing in nature. Strengthening the credibility of the Agency's verification system promotes confidence in nuclear science and technology.

A priority for Australia is achieving the widest possible application of the IAEA's additional protocol on strengthened safeguards. The additional protocol represents the new verification standard for safeguards under the Treaty on the Non-Proliferation of Nuclear Weapons (NPT). This means that the IAEA safeguards system should come quickly to be regarded as comprising both classic safeguards and the additional protocol. Australia urges States that have yet to sign and ratify an additional protocol to do so as soon as possible.

Australia was the first Member State to ratify an Additional Protocol, and is pleased to be the first country in which integrated safeguards are being applied. Australia welcomes the application of integrated safeguards in Norway and in Indonesia.

The safety and security of nuclear and radioactive materials must be a priority for all countries. Australia has contributed to regional and international efforts to enhance the understanding of how a safety culture can be implemented in nuclear organizations. A particular focus for Australia is promoting improvements in the international safety regime for research reactors. Australia continues as well to promote constructive dialogue between shipping and coastal States on the safe transport of radioactive material. And Australia has contributed to the review of the Convention on the Physical Protection of Nuclear Material.

The International Conference on the Safety of Transport of Radioactive Material saw very constructive discussion of issues affecting transport. The development of an action plan flowing from the Conference will help build confidence further and ensure the continuation of what has been an excellent safety record in this field.

Australia welcomes the adoption of the Code of Conduct on the Safety and Security of Radioactive Sources. The Code establishes the basis for countries to commit themselves to international best practice in these areas, integrating the traditional issues of safety with the increased importance of security.

It is gratifying to see the very strong level of support for technical cooperation across the Agency's membership. Australia is pleased to contribute A$2 million to the Technical Cooperation Fund for 2004. In addition, Australia continues to provide strong support to the Agency's Regional Cooperative Agreement (RCA) for the Asia-Pacific region. Since 1979, Australia's overseas aid programme has provided more than A$10 million in support of RCA project packages. Australia is currently funding a new phase of the IAEA/RCA project on improving regional radiological safety capabilities, which aims to improve regional capacity to respond to radiological risks, including aquatic environmental risks and radiological emergencies.

Recently, the international community has been faced with significant and worrying challenges to the nuclear non-proliferation regime. Like other countries, Australia expressed deep concern at the announcement by the Democratic People's Republic of Korea of its withdrawal from the Nuclear Non-Proliferation Treaty and its removal of its nuclear facilities from Agency safeguards. We noted that continued pursuit by the Democratic People's Republic of Korea of nuclear weapons in the face of concerted international opposition would serve only to isolate that country further from the international community and from the economic and other benefits it so desperately needs. Nuclear weapons will diminish, not enhance, the security of the Democratic People's Republic of Korea.

Australia strongly supports efforts to reach a peaceful, diplomatic solution to the North Korean issue. We welcome the process of multi-party dialogue that began in Beijing in August this year and appreciate the positive role played by China in helping bring that dialogue into being. In Australia's view, such talks hold the key to progress towards a peaceful resolution.

Similarly, we have been encouraged by recent developments in respect of Iran's nuclear activities, arising from the agreement reached among the foreign ministers of Iran, Britain, France and Germany late last month. Iran's declared willingness to conclude a safeguards-strengthening additional protocol with the IAEA and to suspend uranium enrichment and reprocessing activities are important and welcome. But more important, and more welcome still, will be determined action on Iran's part to fulfil its undertakings. It is in Iran's own interests to heed the clear message from the international community and cooperate fully with the IAEA.

At this critical point in history, Member States must maintain the momentum for the Agency's work on strengthened safeguards and other verification activity. The Agency can count on Australia's continuing strong support as it implements its programs and adapts to meet new challenges.

Mr. De Alba (Mexico) (*spoke in Spanish*): May I reiterate Mexico's appreciation for the work done by the International Atomic Energy Agency (IAEA), and in particular, by its Director General, Mr. Mohamed ElBaradei, and the secretariat staff of the IAEA. The relevance of this Agency and its contribution to international peace and stability have been seen once again in recent situations in Iraq, North Korea and Iran.

The report that the Agency has submitted this year appropriately reflects its achievements in promoting international cooperation for the peaceful uses of nuclear technologies, in improving the system of nuclear security and in making the verification system more effective. The pillars on which the Agency's activities are based — in other words, the optimal use of nuclear technology with the highest levels of security possible as well as the role of verifying non-proliferation commitments — correspond to the principles that Mexico upholds.

In that context, Mexico believes that, while it is important to continue a review of the criteria and the way in which verification activities should be conducted, there can be no doubt whatsoever regarding the current credibility and the legitimacy of the Agency's safeguards system. We reiterate our appreciation for the IAEA's inspection work, in particular, its joint work with the United Nations Monitoring, Verification and Inspection Commission (UNMOVIC) in Iraq. We especially hail the professionalism and sense of commitment that its Director General and his team displayed at all times. In that regard, Mexico supports Mr. ElBaradei's proposal to complete the work of verification in Iraq.

In connection with the implementation of the plan of action against nuclear terrorism, submitted by the Director General, Mexico reiterates its support for measures to improve the physical security of all nuclear materials. Mexico is participating actively in the group of legal and technical experts convened by the Director General to develop a draft amendment to the Convention on the Physical Protection of Nuclear Materials. In that context, we reaffirm our agreement with what other delegations have said about reaching the necessary consensus on outstanding issues before convening a diplomatic conference to amend the Convention.

Since the Agency's establishment, Mexico has attached high priority to the technical cooperation programme. We believe that the three basic tools of the IAEA's technical cooperation strategy — the central criterion, the national programme structure and the thematic plans — are elements that have helped to improve the process of designing cooperation projects. We recognize the IAEA's secretariat's effort to meet

developing countries' needs by flexibly applying the central criterion, and we encourage the Department of Technical Cooperation to continue to use the criterion as a tool to support member States in improving the design of their technical cooperation projects on the basis of national development priorities.

Mexico notes with satisfaction that the Technical Cooperation Report for 2002 refers to a series of activities — aimed at expanding the spheres of action of the so-called thematic plans in areas such as food irradiation, rainwater basin management and infectious disease control — as ways to address problems that affect developing countries in a very particular way. We reiterate the request that the secretariat continue to support member States in the process of identifying areas of sustainable development in which nuclear technologies are the best option, in order to ensure proper coherence among the current technical cooperation strategy's three tools.

Within that framework, Mexico views with interest the secretariat's efforts to obtain additional financial resources for the technical cooperation programme. That is why Mexico congratulates the secretariat on signing memorandums of understanding and on its joint activities with international cooperation, research and development organizations to benefit developing countries. We encourage it to continue on that path.

Last July, the IAEA Board of Governors adopted a package proposed by the Co-Chairs of the Working Group on the Agency's programme and budget for the next biennium. After arduous negotiations, a consensus was achieved on a number of mechanisms to defer increases in member countries' contributions resulting from the draft budget submitted by the Director General for the biennium 2004-2005. We believe that, to some extent, that will alleviate the increases proposed for developing countries. However, Mexico believes that we should conduct a careful analysis of the operation and application of international safeguards — particularly their financing — in order to achieve an appropriate cost level and a differentiated distribution of related financial burdens.

Given the drastic increase in verification costs, for Mexico it is not enough to postpone the entry into force of the protection mechanism's second phase for a four-year period. In the light of the current conditions in the budget proposed for the biennium 2004-2005, Mexico supports complete re-establishment of the protection mechanism. It is important to bear in mind that, if proposals are submitted in the near future for an increase in that area, it will be essential once again to review application of the mechanism.

Although current international circumstances have shown the fragility of the balance among the Agency's statutory activities — giving greater weight to its verification activities — Mexico considers it necessary to seek appropriate formulas to ensure that the International Atomic Energy Agency's three pillars — security, verification and promotion of the peaceful uses of nuclear energy — have secure, predictable resources that can respond to the needs of member States.

In conclusion, I should like to indicate that Mexico has consistently advocated that States parties to the Treaty on the Non-Proliferation of Nuclear Weapons (NPT) comply with their disarmament and non-proliferation obligations. I refer in particular to the actions agreed upon at the 2000 NPT Review Conference, as regards both nuclear-weapon and non-nuclear-weapon States. The international community must remain alert to ambiguous signals that foster nuclear proliferation, whether vertical or horizontal. Mexico will continue to be vigilant so that, in the framework of the NPT review process at the 2005 review conference, initiatives aimed at disarmament and nuclear non-proliferation will be strengthened.

Ms. Corkery (United States of America): On behalf of my Government, I should like to thank Mr. ElBaradei for his presentation.

The task of managing nuclear materials safely and securely will be with the international community indefinitely. One of the essential tools on which we have long relied to deal with that fundamental reality and to protect and promote our common interests is the International Atomic Energy Agency (IAEA). The IAEA has served us well in that task, and we shall continue to rely on it.

In the early years of the IAEA, it was common to hear references to the notion of balance between its promotional and verification functions. After the mid-1980s, it became common to hear more about the three pillars of its work: safety, technical cooperation and verification. As the 2002 annual report documents, the IAEA's work today has become even more complicated and diverse. Today, countries encounter IAEA

personnel pursuing programmes in areas as wide-ranging as water management, cancer treatment, border security, research reactor safety, nuclear material accountancy, animal health and many others. The breadth and diversity of that work reflect both the multifaceted character of nuclear technology and the growing dependence of States around the globe on the IAEA to help use and manage that technology.

The international community's reliance on the IAEA was never more apparent than in 2002. Rarely did a day go by that nuclear issues were not mentioned in the headlines of major newspapers worldwide. The 2002 events generating those headlines demonstrated unambiguously the critical need to know how our world is using nuclear materials and technology. Regrettably, a few States seemed determined to misuse nuclear materials, in violation of their nuclear non-proliferation commitments. Concerns about nuclear terrorism escalated. Support intensified for measures to verify how nuclear materials were being used. To deal with those and other related issues, the world again turned to the (IAEA).

Some of the most contentious issues of 2002 arose because a few countries opted to pursue nuclear activities in violation of their nuclear non-proliferation commitments, including those under the Treaty on the Non-Proliferation of Nuclear Weapons (NPT). While only a few among the more than 180 NPT parties were engaged in such activities, the implications of their successful acquisition of nuclear weapons would be enormous in terms of regional and international peace and stability and of the viability of the NPT itself.

Beg ning in May 1994, the IAEA maintained a continuous presence in North Korea at its Yongbyon nuclear site to monitor the freeze under the Agreed Framework. It turned out that, for years, while the freeze was supposedly in place, North Korea was pursuing a clandestine uranium enrichment route to nuclear weapons, an activity it acknowledged last October. North Korea then rapidly escalated its brinkmanship, which culminated in the expulsion of IAEA inspectors at the end of 2002. Since then, North Korea has announced its withdrawal from the NPT and has failed to respond to calls by the international community to abandon its nuclear weapons programmes. The Democratic People's Republic of Korea's contravention of the NPT and its other nuclear non-proliferation commitments has led to one of the most serious threats to international security that we face today.

For 12 years, Saddam Hussein defied the resolutions of the Security Council. Today, the threat of a nuclear-armed Iraq has been removed, and efforts to promote peace in that region can move forward, free from the need to address that threat. The IAEA's diverse role over the years in dealing with the Iraqi nuclear issue has been commendable.

Iran's nuclear weapons ambitions became far more visible in 2002. As evidence mounted confirming Iran's illicit nuclear-related procurement and numerous nuclear-related activities, which Iran failed to declare to the IAEA as required by its Safeguards Agreement, the world has become increasingly alarmed. Recent developments give some grounds for hope that Iran will be responsive to the concerns of the international community. We are hopeful but remain sceptical. There is a long way to go before this hope can be transformed into reality. Iran must completely and verifiably abandon its efforts to acquire nuclear weapons.

As regrettable as the actions of North Korea, Iraq and Iran are, we should not overlook the important lessons we have learned in dealing with their actions that have violated the NPT. The world community must confront promptly and firmly any activities that raise questions about an NPT party's obligation not to manufacture or acquire nuclear weapons. Cheating cannot be tolerated and must be addressed without delay and with conviction. There must be real consequences. Any State tempted to violate its nuclear non-proliferation commitments needs to know it will be quickly detected and firmly confronted. Failure to do so affects us all.

In response to the tragic events of 11 September 2001, the IAEA moved quickly to establish an expanded programme for nuclear material security. That programme was approved by the IAEA Board of Governors in March 2002, and work under the nuclear security Action Plan is ongoing. The Plan is subdivided into eight programme areas, providing a comprehensive approach to material security.

My Government is pleased to support this important work with both funding and expert services, and we urge all IAEA member States to contribute generously in whatever way they can. The fact that both developing and developed States have requested the IAEA's assistance in nuclear security reflects broad

international recognition that this work is both essential and urgent.

Permit me to highlight in particular the IAEA's work in improving the security and safety of radiation sources worldwide. The widespread use of such sources and the prospect that terrorists could seek to use some of them to make so-called dirty bombs underscores the need to enhance their security in all its aspects, including transport, use, storage and disposition.

In 1997, the IAEA Board of Governors approved a new model Additional Protocol to expand safeguards activities and to give the IAEA important new tools for detecting undeclared or secret nuclear activities. This Protocol is the culmination of several years of intensive efforts to devise ways to strengthen the international safeguards system and make it even more effective as a tool for enhancing confidence in the IAEA's ability to detect diversion and other violations of the NPT.

Every State that concludes its own additional protocol based on the model agreement makes a contribution to international security. I am very pleased to recall that on 9 May 2002 President Bush transmitted the proposed United States Additional Protocol to our Senate for its advice and consent to ratification. We are working hard to complete all the steps necessary for Senate consideration of the proposed Protocol, and we urge all States that have not yet done so to conclude and implement an additional protocol. We also urge those States that have not completed a safeguards agreement to do so as soon as possible. Effective safeguards offer a critical means to promote nuclear transparency and provide essential assurances that States are using nuclear material solely for peaceful purposes.

Included in the extensive media coverage of nuclear issues in 2002 were repeated references to the IAEA. Behind the headlines are men and women in the IAEA secretariat who are dealing directly with some of the most sensitive nuclear proliferation issues of our time. We are indeed grateful for their commitment and professionalism in confronting those difficult issues.

I would be remiss not to highlight the dedicated work within the IAEA secretariat of the men and women who each day help make available to IAEA member States, in a safe and efficient manner, the beneficial applications of nuclear technology. It is less common to see major headlines about improved groundwater supplies in South America or Asia, or use of radiotherapy to treat cancer in Africa. Yet on a daily basis IAEA staff are working in those areas and many others to make our world a better and safer place.

Whatever and wherever the nuclear challenge confronting the IAEA is, the organization can be only as effective as its member States want it to be. As the 2002 IAEA annual report demonstrates, the world community is well served by this organization. Those of us who are members of the IAEA will continue to support its important work.

Mr. Sriwidjaja (Indonesia): My delegation has listened with great enthusiasm and taken due note of the comprehensive statement made by the Director-General of the International Atomic Energy Agency (IAEA), highlighting the work and the development of the IAEA during the period 2002-2003. The Indonesian delegation would also like to take this opportunity to express its continued appreciation to the Director-General and the secretariat of the IAEA for their significant and valuable work in fulfilling the requirements of the IAEA's three-pillar mandate, in the areas of technology, safety and verification. Indonesia pledges its full support and is firmly convinced that the IAEA, as an agency of the United Nations system, must continue to play its central and universal role in addressing the enormous challenges ahead.

In the light of the technical cooperation report for 2002, as well as the Agency's underlying mission to promote the Atoms for Peace concept and its commitment to expand the contribution of nuclear technologies to enhancing peace and development, our delegation appreciates the efforts made not only with respect to the Technical Cooperation Fund, but also to areas such as the nuclear sciences and applications programme. In this regard, the Agency commits around 50 to 60 per cent of its resources, directly and indirectly, to technical cooperation. We note with satisfaction that 87 country programme frameworks, utilized as planning tools to design technical cooperation projects within the context of national priorities, are now in place.

My delegation wishes to express its satisfaction at the Agency's efforts to expand and intensify the application of nuclear science and technology, with a view to promoting the quality of life of peoples, in particular those of the developing countries. We

welcome the technical cooperation programmes, which have provided significant assistance to member countries in the development of human resources and technical facilities, with the goal of fostering capacities in various important areas.

It is also essential to reiterate the importance of international cooperation in the peaceful uses of nuclear energy, which is one of the fundamental pillars of the Treaty on the Non-Proliferation of Nuclear Weapons (NPT). The validity of article VI of the NPT and the inalienable right of all States parties to the unimpeded and non-discriminatory transfer of nuclear technology and materials to the developing countries are indispensable elements in meeting the requirements of national development. This is in line with the role of the Agency in assisting States parties to formulate international cooperative projects within the framework of the peaceful uses of nuclear energy, through the development of effective programmes aimed at improving their scientific, technological and regulatory capabilities, based on each country's priority needs and decisions.

Indonesia notes the progress made in the field of nuclear verification. Based on the IAEA 2002 Safeguards Implementation Report, 145 States now have safeguards agreements in force, and the nuclear material and other items placed under safeguards remained in peaceful nuclear activities or are otherwise adequately accounted for.

Indonesia also notes the progress made by the Agency in approving the Additional Protocol, which will involve approximately 80 member States. However, Indonesia is concerned by the fact that only 35 States have brought the additional protocols into force and that 46 States parties to the NPT still do not have the required safeguards agreements with the Agency.

Therefore, in line with GC(47)/RES/11, on strengthening the effectiveness and improving the efficiency of the safeguards system and application of the model Additional Protocol, Indonesia calls upon all States to conclude and bring into force their respective legal instruments in order to enable the Agency to give credible and comprehensive assurances regarding all States that have made non-proliferation commitments, including conclusions on the absence of undeclared nuclear material and activities.

To that end, Indonesia has enforced both the comprehensive safeguards agreement and the Additional Protocol, and it now is in the process of implementing the framework for integrated safeguards. We strongly believe that those measures will strengthen the effectiveness and improve the efficiency of the safeguards system and the application of the model Additional Protocol, as well as the verification system of the Agency.

In the field of nuclear security and safety, Indonesia commends the Agency's effort to assist member States in increasing their nuclear security, and the high priority placed by the Agency on the elaboration of measures to prevent the theft of nuclear material and the sabotage of nuclear facilities. The Agency's shared concern over the risk of radiological terrorism has led to greater emphasis on improving the security of other radioactive material, in order to counter illicit trafficking.

Indonesia stresses the importance of the continuation of the activities proposed by the Director-General in his report to the Board of Governors entitled "Protection Against Nuclear Terrorism: Specific Proposals" (GOV/2002/10). In that connection, Indonesia reiterates its shared view that nuclear security must be one of the world's priorities and accordingly calls upon all concerned parties to do their utmost to support efforts to strengthen international cooperation in nuclear, radiation, transport and waste safety, as highlighted in the resolutions adopted at the forty-seventh session of the General Conference — GC(47)/RES/7A and GC(47)/RES/8, on nuclear and radiological security and progress on measures to protect against nuclear and radiological terrorism.

Given the geographic conditions of its territory, Indonesia requested the Agency and its member States to assist it in enhancing its capacity to develop measures against nuclear terror, emergency actions and recovery measures in case of nuclear terror. In that light, and in anticipation of some uncertainties with respect to nuclear security, Indonesia also shares some concerns of coastal States on nuclear transport safety — namely the increasing danger of accidents caused by nature or human error, or of criminal or terrorist acts.

Indonesia commends the Agency for having convened the International Conference on the Safety of Transport of Radioactive Material, which was held in

Vienna from 7 to 11 July 2003, and it welcomes the constructive discussions at the Conference as well as the President's summary and findings. In line with GC(47)/RES/7C, Indonesia supports the requests that the Agency develop an action plan, in consultation with member States, on the safe transport of radioactive material.

Mr. Mahtab (India): The Indian delegation has taken note of the report of the International Atomic Energy Agency (IAEA), presented by the Agency's Director General, Mr. Mohamed ElBaradei.

According to the World Bank's World Development Report 2003, the population of the world crossed the 6-billion mark in the year 1999. Most current estimates suggest that approximately 2 billion more people will be added over the next 30 years, with another 1 billion in the following 20 years. Virtually all the increase will be in the developing countries, with the bulk in urban areas. The core challenge for development is thus to ensure the availability of productive work opportunities and access to basic amenities for those people.

At present, however, there are wide disparities. The average income in the richest 20 countries is now 37 times that in the poorest 20 countries, and that ratio has doubled in the past 40 years. Putting energy within the reach of everyone could significantly correct the situation. Energy is the engine for empowerment and growth. It multiplies work done through human labour and increases productivity. The availability of energy thus leads to an enhanced livelihood and access to better amenities. With sustainability issues staring at us, achieving that is possible only if the energy supply becomes abundant and is within the reach of all. Only the power of the atom can make it happen.

As we commemorate the Atoms for Peace initiative launched 50 years ago and take stock of the achievements — which are indeed very impressive both in terms of the share of nuclear electricity in total electricity production and in terms of other, non-electricity applications — we see that the barriers to the growth of this important technology for the benefit of the larger part of humanity are yet to be addressed. That were better done before it is too late as, otherwise, the threat to the global climate, as well as the tensions of inequality, could assume unmanageable dimensions. Clear signals of those threats are already visible.

Combating the dangers of the malevolent use of nuclear and radioactive material by unscrupulous or terrorist elements has emerged as a new challenge. We are glad to see that this issue is receiving due attention from the Agency. In collaboration with the IAEA, we recently conducted an international training course on security for nuclear installations. The course was well received, and the feedback has been encouraging. It has been suggested that the course could serve as a model for courses to be conducted on a regular basis. We welcome the Group of Eight statement on the safety and security of radioactive sources. India has participated actively in discussions on developing the IAEA Code of Conduct on the Safety and Security of Radioactive Sources. India has in place appropriate legislative and regulatory infrastructure to achieve the objectives of the Code of Conduct.

India's atomic energy programme, which is in its fiftieth year, has come a long way on its march to serve our people. Today, we are on fast-track growth, backed up by a strong research and development programme and industrial and safety infrastructure. Approximately four years from now, we will reach an installed generating capacity of approximately 4,500 megawatts of electricity from pressurized heavy water reactors – the mainstay of the first stage of our indigenous nuclear power programme – and another 2,320 megawatts from light water reactors, making a total of approximately 6,800 megawatts, compared to the present capacity of 2,720 megawatts. The Government of India has approved the construction of a 500-megawatt prototype fast breeder reactor. This indigenously-developed technology can enhance the installed power generation capacity to well over 300,000 megawatts, even with our modest uranium resources.

Nuclear electricity generation of 19.358 billion units was realized during the year 2002-2003, with the Nuclear Power Corporation of India, Limited (NPCIL), achieving an annual overall capacity factor of 90 per cent, which is among the highest in the world. The Kakrapar Atomic Power Station-1 was judged to be the best performing unit in the pressurized heavy water reactor (PHWR) category during the rolling 12-month period from 1 October 2001 to 1 September 2002. For the 2002 calendar year, the three NPCIL PHWR units were judged to be among the five best PHWR units in the world. As well, all operating nuclear power stations are now ISO-14001-certified.

The growth of nuclear energy in the developing countries, particularly in fast growing economies with large populations, should be a matter of global interest in the light of its potential to protect the Earth from irreversible climate changes. Wherever there are no genuine concerns, barriers to the deployment of nuclear energy technologies need to be examined and brought down through a pragmatic approach. We must move towards a more peaceful and prosperous world on the basis of placing abundant energy within the reach of all. Mindless controls that do not address the core issue of meeting the development aspirations of the needy do not help the situation. Rather, they make matters worse.

The IAEA International Project on Innovative Nuclear Reactors and Fuel Cycles (INOPRO) for the development of the next generation of nuclear reactor and fuel cycle technologies is important in this context. It has the potential of providing a technological solution to address the barriers to the deployment of nuclear power worldwide. Development of the advanced heavy water reactor in India, which would more than meet the INPRO objectives in terms of sustainability, economy, safety and proliferation resistance, is progressing according to plan. In addition, this reactor system would enable us to get started with large-scale energy production using thorium.

The President took the Chair.

We are conscious of our responsibilities arising from the possession of advanced technologies in the nuclear field. We have a commitment to and an interest in contributing as a partner against proliferation. Even as we move forward towards developing and using proliferation-resistant nuclear technologies, we must shed the baggage inherited from the past, which still restricts the flow of equipment and technologies related to the peaceful uses of nuclear energy.

From the perspective of a large and growing economy like India, with its small hydrocarbon reserves and with coal reserves that are being depleted, the development of nuclear energy based on a closed-cycle approach enabling us to make fuller use of uranium and thorium is the only way to meet the development aspirations of more than a billion people. We are, therefore, pursuing a comprehensive research and development programme to explore newer technologies to widen the scope of nuclear energy use.

The technical cooperation programme of the Agency has been playing a valuable role in development activities using nuclear techniques. We have a comprehensive domestic programme on applications in agriculture, health, water resources and industry. We have been and will continue to be active in sharing our experience with other countries. We will continue our strong support to IAEA activities. We have been consistently pledging and paying our contribution to the Technical Cooperation Fund in full. We are doing so this year too.

The Agency's programme on managing and preserving knowledge is timely, and is relevant to the nuclear industry. In India, we are in a fortunate position with respect to our very capable human resources, available in large numbers. It may also be worthwhile at this stage to mention that Indian scientists have made perhaps the largest contribution to scientific publications on pressurized heavy water reactors.

Looking at the present scenario in which nuclear technology finds itself, we need a proactive two-pronged strategy which safeguards the development aspirations that can inevitably be met by nuclear technology and at the same time prevents the malevolent use of that technology. This is an important challenge, as ignoring either dimension could lead to disastrous consequences. With science- and technology-based collective wisdom at its command, we feel that the United Nations in general, and the IAEA in particular, are in a unique position to find new paths that could significantly contribute to world peace and prosperity. We all need to work together in this important task. We owe it to humanity and to future generations.

Mr. Osman (Sudan) (*spoke in Arabic*): I associate myself with preceding speakers in thanking Mr. ElBaradei, Director General of the International Atomic Energy Agency (IAEA), for his excellent presentation of the Agency's comprehensive report. My delegation expresses its appreciation for the Director General's tireless efforts to improve the Agency's efficiency, enhance its effectiveness and expand the sphere of activities and programmes in the service of developing countries.

The Treaty on the Non-Proliferation of Nuclear Weapons (NPT) and the signing and ratification of additional protocols are among the most important subjects on the agenda of the Agency. But here, the

situation in the Middle East requires a comprehensive approach and careful attention, because the only nuclear entity in the region, Israel, persists in its refusal to sign the Treaty or an additional protocol — on the basis of a series of unacceptable pretexts and justifications.

We particularly appreciate the technical information and other assistance given to developing countries. The growing number of developing countries, and their urgent need for the programmes of the Agency require an increase in the budget of the technical assistance programme, so that it can be made a permanent element of the main budget instead of depending on contributions from donors. However, this should not prevent donor countries from making further contributions to the Technical Cooperation Fund. It is also our hope that the Agency will receive greater contributions from regional and international funds in order to support its projects, activities and programmes for developing countries.

The technical cooperation programme remains the proper instrument to help developing countries improve their national capacities in the areas of medicine, health, water, environmental safety and nuclear and radiological safety, especially now that major regional efforts are being made throughout Africa to eradicate the tsetse fly and sleeping disease, and to control insects that transmit malaria. We hope that progress will be made towards eradication of the malaria-transmitting mosquito because of the negative impact of that disease on the economic and social development of developing countries in general, and African countries in particular.

In conclusion, we wish the Agency and its Director General, Mr. ElBaradei, and his team all the best in their efforts to work towards a better world free of weapons of mass destruction.

Mr. Loedel (Uruguay) (*spoke in Spanish*): The States members of the Common Market of the South (MERCOSUR) — Argentina, Brazil, Paraguay and Uruguay — on whose behalf I have the honour to speak today, welcome the report introduced by the Director General of the International Atomic Energy Agency (IAEA), Mr. Mohamed ElBaradei.

Unfortunately, today's world is characterized by serious challenges to the nuclear non-proliferation regime. In the sphere of the IAEA we consider it necessary to continue to develop consensus among the largest possible number of countries in order to develop an atmosphere of confidence and legitimacy in decision-making. It is a priority to preserve and consolidate multilaterally negotiated international norms.

We reiterate our active and ongoing commitment to the objectives of the international community in favour of non-proliferation, nuclear disarmament and the promotion of the peaceful uses of atomic energy, preserving the right of all States to engage in research, production and use of nuclear energy for peaceful purposes.

In that regard, we attach great importance to the IAEA technical cooperation programme, and we support actions to ensure an exchange of materials, equipment and technology for the peaceful uses of nuclear energy.

MERCOSUR and its associated States also underscore their commitment to enhancing the effectiveness of safeguards, since these have a clear role in achieving transparency and mutual confidence among countries. To that end, efforts to introduce greater efficiency and savings must be redoubled without reducing effectiveness. Here, we recommend a deepening of cooperation between the IAEA and other verification entities, such as the Brazilian-Argentine Agency for Accounting and Control of Nuclear Materials.

Furthermore, we cannot fail to mention our position in favour of zero-growth programmes and budgets; however, this year — given the need to achieve a balanced compromise beneficial to all in order to meet the statutory obligations of the Agency, and in an international context of challenges and responsibilities — the members and associated countries of MERCOSUR which are members of the Board of Governors agreed to the draft programme and budget for the next biennium. That decision was taken on the basis that it would be considered an exceptional measure, given the current economic and financial constraints confronting our subregion.

On a different subject, we wish to reiterate our appreciation for IAEA efforts to preserve a security system that protects the environment and people from harm caused by radiation. It is for that reason that we believe there should be due balance in considering the question of security in the transport of radioactive material. We believe the IAEA can play a crucial role

as the facilitator of a dialogue among the countries identified in the important conclusions presented by the President of the International Conference on the Safety of Transport of Radioactive Material, held last July.

In the same spirit, another important event was the International Conference on Security of Radioactive Sources held in March this year; its plan of action constitutes a fundamental contribution to the development and coordination of international efforts in this area.

Finally, we reiterate our resolute support for the activities undertaken by IAEA for the protection of nuclear materials in order to prevent their falling into the hands of non-State actors.

The President: We shall now consider draft resolution A/58/L.10. I give the floor to the representative of the Democratic People's Republic of Korea, who wishes to speak in explanation of vote before the voting. May I remind delegations that explanations of vote are limited to 10 minutes and should be made by delegations from their seats.

Mr. Kim Chang Guk (Democratic People's Republic of Korea): The delegation of the Democratic People's Republic of Korea would like to clarify its position on draft resolution A/58/L.10, entitled "Report of the International Atomic Energy Agency".

First, it is totally irrelevant for the draft resolution on the International Atomic Energy Agency (IAEA) report to include a reference to the IAEA resolution on the implementation of the Treaty on the Non-Proliferation of Nuclear Weapons (NPT) safeguards agreement between the Agency and the Democratic People's Republic of Korea — a resolution which we flatly rejected earlier — even though my country is not a State party to NPT. My Government withdrew from the NPT in order to defend its supreme interests while labouring under the abnormal situation created by the United States nuclear threat and IAEA partiality. The withdrawal of the Democratic People's Republic of Korea from the NPT was a legitimate exercise of its sovereign right under the relevant provisions of that Treaty. In that regard, my delegation wishes to remind the sponsors of the draft resolution that the Democratic People's Republic of Korea is no longer a State party to NPT.

Secondly, the Democratic People's Republic of Korea does not recognize the annual report submitted by the IAEA to the General Assembly. The annual report states that my country was in non-compliance with its existing safeguards agreement pursuant to the Non-Proliferation Treaty and that it had admitted to having a uranium enrichment programme inconsistent with international agreements. That is contrary to the facts. My country implemented its obligations under NPT and the Democratic People's Republic of Korea-United States Agreed Framework in good faith up until the time we declared our decision to withdraw from the Treaty.

The Democratic People's Republic of Korea has never admitted that it has a uranium enrichment programme. The argument that my country has admitted to having a uranium enrichment programme is part of a foolish scheme to mislead public opinion and to shift the responsibility for the destruction of the Democratic People's Republic of Korea-United States Agreed Framework onto my country. Nevertheless, with no rhyme or reason, the IAEA claims that my Government is in violation of international agreements. This clearly proves that IAEA is a tool of the United States.

Thirdly, the position of my country on the nuclear situation between the Democratic People's Republic of Korea and the United States is fair and principled. The nuclear issue on the Korean peninsula is the product of the hostile policy of the United States towards my country. It is not a case that the Agency can resolve through interference and pressure so long as the United States continues its hostile policy towards the Democratic People's Republic of Korea. It is dastardly for the IAEA to connive in the United States hostile policy and nuclear threats against the Democratic People's Republic of Korea; it does so because the United States is a super-Power while it puts pressure on the victim because it is a small country.

And here I am compelled to make an aside in order to express my regret at having to do what the representative of Japan did yesterday when he referred to my country by an incorrect name, with sinister, ulterior political motives and demonstrates disdain for my country. I ask for the understanding of Member States.

Fourthly, certain countries that are eager to put pressure on the Democratic People's Republic of Korea, in particular the Japanese, are not in a position to contribute positively to the process of the settlement

of the nuclear issue because they are misusing it for their own political and military purposes. The Japs are now shifting their whole society towards the right, trying to resurrect militarism and fascism with a view to reinvading Korea. How can we slacken — even for a moment — our preparedness against the Japanese when the Government and parliament of the Japs are talking about imposing sanctions on the Democratic People's Republic of Korea and the Defence Minister and other high-ranking officials of the Japs are clamouring for a pre-emptive strike against the Democratic People's Republic of Korea, just as the United States is doing?

For all those reasons, the Democratic People's Republic of Korea will vote against draft resolution A/58/L.10, as it will not help settle the issue.

The President: We have heard the only speaker in explanation of vote before the voting.

The Assembly will now take a decision on draft resolution A/58/L.10. Before doing so, I would like to announce that since the introduction of the draft resolution, the following countries have become sponsors of A/58/L.10: Papua New Guinea, Sudan, Nicaragua, Panama, Liechtenstein.

A recorded vote has been requested.

A recorded vote was taken.

In favour:

Albania, Algeria, Andorra, Angola, Argentina, Armenia, Australia, Austria, Bahamas, Bahrain, Belarus, Belgium, Belize, Benin, Bolivia, Bosnia and Herzegovina, Brazil, Brunei Darussalam, Bulgaria, Cambodia, Cameroon, Canada, Cape Verde, Central African Republic, Chile, China, Colombia, Costa Rica, Croatia, Cyprus, Czech Republic, Democratic Republic of the Congo, Denmark, Dominican Republic, Egypt, El Salvador, Eritrea, Estonia, Ethiopia, Fiji, Finland, France, Georgia, Germany, Ghana, Greece, Guatemala, Guyana, Honduras, Hungary, Iceland, India, Indonesia, Iran (Islamic Republic of), Ireland, Israel, Italy, Jamaica, Japan, Kazakhstan, Kuwait, Lao People's Democratic Republic, Latvia, Lebanon, Libyan Arab Jamahiriya, Liechtenstein, Lithuania, Luxembourg, Malaysia, Maldives, Mali, Malta, Mexico, Monaco, Mongolia, Morocco, Mozambique, Myanmar, Nepal, Netherlands, New Zealand, Nicaragua, Nigeria, Norway, Oman, Pakistan, Panama, Papua New Guinea, Paraguay, Peru, Philippines, Poland, Portugal, Qatar, Republic of Korea, Russian Federation, San Marino, Senegal, Serbia and Montenegro, Seychelles, Sierra Leone, Singapore, Slovakia, Slovenia, Spain, Sri Lanka, Sudan, Suriname, Sweden, Switzerland, Syrian Arab Republic, Tajikistan, Thailand, the former Yugoslav Republic of Macedonia, Togo, Tonga, Tunisia, Turkey, Ukraine, United Arab Emirates, United Kingdom of Great Britain and Northern Ireland, United Republic of Tanzania, United States of America, Uruguay, Venezuela, Viet Nam, Yemen, Zambia, Zimbabwe

Against:

Democratic People's Republic of Korea

The draft resolution was adopted by 129 votes to 1 (resolution 58/8).

[*Subsequently the delegation of Romania informed the Secretariat that it had intended to vote in favour.*]

The President: A representative has asked to speak in right of reply.

May I remind Members that, in accordance with General Assembly decision 34/401, statements in exercise of the right of reply are limited to 10 minutes for the first intervention and to 5 minutes for the second and should be made by delegations from their seats.

Mr. Motomura (Japan): My delegation would like to take this opportunity to exercise its right of reply to the points raised by the delegate from the Democratic People's Republic of Korea. First, quite a number of points have been raised by the North Korean delegate concerning their objections to this draft resolution that are not particularly relevant to its contents.

Secondly, the Democratic People's Republic of Korea used the term "Japs". This is derogatory and we would like to ask the North Korean delegate to retract this derogatory comment. We use the term "North Korea". Sometimes we use the term "South Korea". It is a geographical concept and we have no intention of using a derogatory term in this particular sense. But actually, the term "Jap", in the English sense of the word, is regarded as derogatory and I would therefore like to ask the delegate from the Democratic People's Republic of Korea to refrain from using this word.

Thirdly, in democratic societies, a variety of points are raised in legislative bodies, and Japan is no exception. Sometimes when there is talk of the threat from North Korea, especially in terms of their nuclear development programmes, as a democratic State we may raise all sorts of points since all sorts of arguments are possible. We have no animosity towards the North Korean State. As has been mentioned in the Pyongyang Declaration, signed by Japan and North Korea, we are prepared to discuss a wide range of issues, including nuclear issues, to enable the forthcoming six-party talks on nuclear issues concerning the North to be resolved within the framework of these talks.

The President: I would like to state and to make it very clear that there have been instances since I have assumed the presidency when I have been very alarmed at the level of the debate in terms of name-calling. The presidency wishes to associate himself with any comments which seek to avoid a situation where we go beyond a certain level. In this respect, I would wish that on the issue of the matter dealing with references to the Japanese as "Japs" that the representative of the Democratic People's Republic of Korea would take this into account and I hope he would, in future, desist from using this kind of language in this honourable House.

May I take it that it is the wish of the General Assembly to conclude its consideration of agenda item 14?

It was so decided.

Agenda item 26

The situation in Central America: progress in fashioning a region of peace, freedom, democracy and development

Reports of the Secretary-General (A/58/262, A/58/267 and A/58/270)

Mr. Stagno Ugarte (Costa Rica) (*spoke in Spanish*): It is an honour for me to speak on behalf of the countries of the Central American Integration System: Belize, El Salvador, Guatemala, Honduras, Nicaragua, Panama, Dominican Republic and my own country Costa Rica.

Please allow me first to congratulate you on your election as President of the fifty-eighth session of the General Assembly and above all for the effort and dedication with which you have met this challenge.

On this occasion, I also wish to express our gratitude to the Secretariat for all of the assistance given to the countries of the Central American isthmus and the Dominican Republic since 1983, the year when the General Assembly examined for the first time the situation of the region. We also want to thank all of the sponsors. All, to one extent or another, have been steadfastly committed to the development of our region since the implementation of the working framework of the cooperation agreement, which lead to concrete action in the area of regional integration and in such sectors of health, education and environmental protection.

I want to take this opportunity to express warm congratulations to Panama upon the celebration of the 100th anniversary of its independence. The consolidation of peace and democracy in Central America has been the result of a long and arduous political process which has succeeded in overcoming many obstacles, thanks to the shared efforts of the peoples and Governments of the region and which continues to make progress towards sustainable economic growth with the united support of the international community. At present, all countries of the region have freely-elected democratic Governments.

On 16 March 2003, municipal and legislative elections were held in El Salvador, and the electoral process was peacefully conducted without any major incidents, thus demonstrating the country's progress towards full democratization and its firm commitment to complete the National Registry of Natural Persons and create a unique identity document for the 2004 elections. As well, the Supreme Electoral Tribunal will be able to organize the vote using place of residence criteria.

In Guatemala, presidential elections will be held on 9 November. They will be the most closely observed elections in the political history of that country. In the light of the coming event, on 10 July representatives of the political parties signed an ethical and political agreement on the electoral process and a declaration of commitment to the peace agreements. In order to ensure a clean, transparent process, electoral observer missions of the Organization of American States and the European Union have joined efforts with the Electoral Observer 2003, a coalition of three local institutions, in order to deploy independent observers throughout the country.

In our region, special attention needs to be given to the serious problem of low voter turnout in elections and citizens' apathy born of mistrust as a result of a lack of transparency and the need for electoral and judicial reform and greater participation of civil society in decision-making.

In our region, there are several serious problems with respect to human rights and citizen security. However, we must point out that each country's problems are different. There is a clear need for real commitment on the part of local authorities to fund the main national institutions for the defence of human rights, tackling the issue of crime and creating or strengthening civil police forces.

The report of the Secretary-General is clear about the efforts being made by Governments and civil society to eradicate bad practices. New officials have been appointed for that purpose, and there are encouraging signs of reorganization and strengthening, with the assistance of the United Nations and the Organization of American States, among others. But it is also clear that the reform process has been hindered by the international community's meagre budgetary allocations for the financing of needed reforms. The report also details the work done by Nicaragua, Honduras and El Salvador in the reform of judicial structures and the rule of law, which will enable those countries to work towards the ultimate objective of having a transparent judicial system.

Currently, Nicaragua is making major efforts to improve the management of public affairs with the creation of an Office of Ethical Policy, using resources received from seven countries and the United Nations Development Programme. There is also the ambitious plan of the Office of the Comptroller General of the Republic to improve national auditing capacities. In El Salvador, the Legislative Assembly has adopted a law to reform the Government's auditing agency. In Honduras, the Comptroller General and the Office of Administrative Probity were replaced by the Superior Court of Accounting. Guatemala's budget law of 2003 showed slight progress in budget allocations for the ministries, secretariats and other governmental institutions in charge of implementing the peace agreements. But the problem of corruption in the region continues to be serious. It undermines confidence in the political and institutional system and hinders good governance in the public sector.

In the area of trade, during the last year, the Central American economies recovered somewhat from the effects of the terrorist attacks of 11 September 2001 and the global recession. The Common Market became more dynamic as a result of negotiations on the United States-Central American free trade agreement and the Canadian-Central American free trade agreement and through the entry into force of the new Uniform Customs Code (RECAUCA) and its Regulations, in which a good percentage of the common external tariff categories have been harmonized. A free trade agreement with the European Union is planned for negotiation. Unfortunately, everything gained through the efforts of the textile industry, exports and the increase in export revenue was lost owing to the low coffee prices.

In the social sector, the Central American Policy on Health and the Environment was adopted, which makes us the only subregion of the Americas with a shared cross-sector agenda of this kind.

A strategic framework was adopted for dealing with food and nutritional security, called for by the prevailing drought conditions and climatic change. That framework is being implemented by the Social Integration Council.

With respect to other issues, El Salvador hosted from 22 to 24 January 2003 the third regular session of the Inter-American Committee against Terrorism (CICT) of the Organization of American States. During the meeting, El Salvador ratified the Inter-American Convention against Terrorism, Nicaragua acceded to the Convention, and Costa Rica and Peru signed a letter of understanding on the inter-American fight against corruption.

On 12 March in Panama City, the XIX Ministerial Conference on Political Dialogue and Economic Cooperation was held between the member countries of the European Union and the Central American Integration System (SICA). In that meeting, participants recognized the importance of the participation of civil society in order to strengthen relations between the two organizations, and they agreed to instruct their respective missions to the United Nations to work on establishing international forums and mechanisms for consultation on issues such as the peaceful settlement of conflicts, the fight against drugs and terrorism.

Furthermore, on 2 June 2003, delegates of eight countries participated in a meeting on the Puebla-Panama Plan, a comprehensive initiative for integration and regional development backed by the Inter-American Development Bank, for the purpose of launching the Mesoamerican Initiative for Sustainable Development, whose objective is to ensure that the projects of the Puebla-Panama Plan comply with the appropriate environmental norms.

Despite all this progress in various areas, we are still concerned because levels of poverty continue to be similar to those of the 1980s. The campaign to improve the well-being of the Central American peoples continues every day because our peoples have a fighting spirit and deserve the best quality of life, as do all inhabitants of the planet.

Mr. Mantovani (Italy): I have the honour to speak on behalf of the European Union. The acceding countries Cyprus, the Czech Republic, Estonia, Hungary, Latvia, Lithuania, Malta, Poland, Slovakia, and Slovenia, the associated countries Bulgaria, Romania, and Turkey and the European Free Trade Association country member of the European Economic Area, Iceland, declare that they align themselves with this statement.

The European Union wishes to thank the Secretary-General for his very comprehensive reports on the situation in Central America, which provide us with an overall picture so that we can assess progress there and consider common future initiatives.

After more than two decades of civil wars and the signing of several peace agreements starting in the 1990s, Central America is now consolidating its democratic institutions. Nevertheless, there are still many obstacles on the road to peace, freedom and economic development in the region.

Despite the important steps that have been taken, there is a continued risk of serious setbacks in the democratic process. Some of the greatest risks stem from the long shadows of internal conflicts, the difficulties in making the transition to a system of democratic pluralism and the challenges of equitable and sustainable development. In addition, social inequality and high poverty rates are a major challenge that can seriously inhibit active participation in the democratic process. And, despite the efforts of Central American Governments to fight corruption, drug trafficking and weapons smuggling, these evils continue to undermine internal security and slow development.

The European Union reaffirms its commitment to the promotion of human rights, fundamental freedoms and cultural diversity, which should also be realized through the contributions of civil society. The European Union appreciates the progress achieved by Central American Governments in consolidating democracy and good governance. Further progress should be made in terms of transparent political elections, fair administration of justice, decentralized and efficient management of public affairs, the fight against corruption and participation by civil society in public affairs. We call upon Central American Governments to better guarantee internal security, which has deteriorated in recent years.

The European Union welcomes the important decision of Central American countries to accelerate their regional integration as a vehicle for sustainable development. We recognize the substantial progress achieved in Central America's modernization and transformation in terms of regional economic integration: the establishment of a customs union, the entry into force of the Settlement of Commercial Disputes Mechanism and the signing of the Central American Treaty on Investment and Trade of Services.

The San José dialogue is still the main instrument for political cooperation between the European Union and Central America, which has brought peace, security and democracy to the region for the past 20 years. Through that dialogue, we also stress the importance of regional integration for the Central American countries, and we suggest that it be accelerated. At the second Summit of Heads of State and Government of the European Union, Latin America and the Caribbean, held in Madrid on 22 May 2002, the decision was made to negotiate a political dialogue and cooperation agreement. We are thus extremely pleased about the success of the two rounds of negotiations, held in Panama last May and in Brussels on 3 October. We expect the agreement to be signed in December 2003, paving the way for future cooperation between the two regions.

The European Union is following closely the political situation in Guatemala. In the wake of the violence last July, the upcoming elections are especially important. We reaffirm the need for fair and peaceful elections, and we call on the Guatemalan

authorities and all the political parties involved to ensure that appropriate measures are adopted for the 9 November elections. The European Union welcomes the positive response of the Guatemalan Government and civil society to its decision to send an electoral observer mission to cooperate with the missions organized by the Organization of American States (OAS) and other organizations and with national observers. By sending that electoral mission to Guatemala, the European Union is showing its willingness not only to monitor the electoral process but also to be present — as in the past — at a crucial moment in the country's democratic life.

We appreciate the recent initiative signed by 20 political parties in Guatemala for a shared national agenda, coordinated by the United Nations Development Programme. That is an important step towards a national pact for the enhancement of governance in Guatemala.

We call on the Government of Guatemala to continue to strengthen the justice system in order to prevent illegal forces from undermining State institutions and providing fertile ground for corruption, organized crime and drug trafficking. We applaud the human rights ombudsman's request for OAS support to participate in the Commission to Investigate Illegal Groups and Clandestine Security Apparatuses.

The European Union continues to assess positively the United Nations Verification Mission in Guatemala (MINUGUA), which has helped to consolidate the gains of the peace agreements, and supports the extension of MINUGUA's mandate into 2004.

The European Union congratulates the Government of Nicaragua for its efforts to build a future based on good governance, sustainable economic policies and greater integration at both the regional and global levels. We are concerned by the continued high poverty rate in Nicaragua, and we stress the need for greater social equality and for a fair distribution of resources. At the same time, we reaffirm our commitment to fostering development in that area. We congratulate the Nicaraguan Government on the steps it has taken to implement the national poverty reduction strategy, to strengthen its financial system and to design policies that favour sustainable economic growth.

Regarding El Salvador, the European Union appreciates the Government's efforts to strengthen democratic institutions, in particular through its appointment of an ombudsman, who plays a key role in protecting the rights of indigenous and poor people. We expect the Government to facilitate the ombudsman's work.

The European Union commends the President of Honduras for his efforts to meet the challenges of poverty and corruption in that country. However, human rights safeguards there are still weak and require strengthening.

The European Union reaffirms its full support for the various initiatives undertaken by the OAS to find solutions to border disputes and to guarantee that the political elections in Central American countries take place in a safe environment. We welcome and encourage the moderating role of the OAS in the territorial disputes between Guatemala and Belize, and we urge all States in the region to settle the remaining border disputes peacefully. We express our appreciation to the OAS for its cooperation with the European verification mission that we sent to Guatemala to monitor the elections. We also express our appreciation for OAS initiatives in sectors of priority for the international community, such as mine clearance programmes in Central America, the fight against terrorism and drugs and efforts to create human rights safeguards, security and peace.

The European Union continues to pay close attention to the situation in Central America. Our commitment is focused mainly on the fight against poverty and the adoption of measures to guarantee the rule of law, in compliance with international human rights and humanitarian law. The implementation of such measures will smooth the path to peace, free markets and sustainable development in Central America.

Mr. De Alba (Mexico) (*spoke in Spanish*): I should like at the outset to thank the Secretary-General for the reports that he has submitted to us on the situation in Central America (A/58/270), the functions of the United Nations Verification Mission in Guatemala (MINUGUA) (A/58/262) and the situation in that country (A/58/267). We have studied them attentively.

As we indicated earlier, Mexico attaches high priority to its relations with Central America, with

which it shares historical, cultural and geographical as well as economic ties. That is why the Government of Mexico has consistently supported the peace processes in Central America and the efforts undertaken by the region's peoples and Governments to consolidate their democratic institutions, to achieve respect for human rights and to attain their economic and social development goals in the post-conflict stage. That support has been reflected in bilateral and regional cooperation activities in the political, scientific, technical, cultural, educational and economic areas and in humanitarian assistance in emergency situations. The broadest expression of such cooperation is the Puebla-Panama Plan.

We are pleased at the conclusion of the peace process verification process that the United Nations had undertaken since the signing of the peace agreements in that country. Undoubtedly, the presence and support of the United Nations were fundamental to the building of the peace in El Salvador, as was the political will of the parties to the agreements and the aspiration of the Salvadoran people to build that peace. We also consider as very positive the recent submission by the Government of El Salvador of the inventory of arms of its armed forces, a decision that contributes to strengthening the climate of confidence within the country and in the region. The recognition by the Farabundo Martí National Liberation Front (FMLN) of the present role of the armed forces, and its decision to withdraw its reservation regarding their permanent nature, also constitute important progress.

The presence of MINUGUA has been very positive in giving reliability and certainty to the process of consolidating peace, and has been particularly necessary insofar as the reports of the Secretary-General show mixed results regarding implementation of commitments stemming from the agreements.

The Guatemalan Government and civil society recognize the work of the Mission, and it is for that reason that last year they requested that it be retained beyond December 2003, by virtue of the elections and the change of government scheduled for the end of 2003 and the beginning of 2004, respectively, and the possibility of their being gaps created in this transition stage.

As part of the friends of the peace process in Guatemala, which annually submits the draft resolution on MINUGUA, Mexico fully supported that request, which was reflected in General Assembly resolution A/57/161. This resolution not only renewed the mandate of the Mission for one more year, until 31 December 2003, but also left open the possibility of the mission's supporting the process beyond that date.

In the coming days, with the support of Member States, and in particular that of the friends of Guatemala, we shall submit a draft resolution for the renewal of MINUGUA's mandate for one more year, in other words, from 1 January to 31 December 2004, in which account is taken of resolution 57/161, and the recommendation of the Secretary-General contained in his report on MINUGUA in document A/58/262. We hope that this draft resolution will be adopted without a vote, as was the case in past years.

So that the continuation of the Mission for one more year will make sense, I wish to emphasize the fundamental importance for those elected in Guatemala to endorse the commitment undertaken by the main political parties on 11 July of this year, under the auspices of the Organization of American States (OAS) — a commitment to recognize the peace agreements as agreements of the State, in order to enable those agreements to be fully incorporated into the programmes of the new Government.

It is essential that all the political players reject the use of violence so that the elections can be conducted in a climate of peace and tranquillity. It is also important that the Government which is elected deal with any failings in the implementation of the peace agreement, in particular, as regards human rights and the process of demilitarization, as well as the strengthening of civil authority. These will also be the principal tasks of MINUGUA in 2004.

Lastly, as regards the possible establishment of a commission of investigation of illegal groups and clandestine security forces, known as CICIACS, which has the support of the United Nations and of the OAS, we await the report that Secretary-General Kofi Annan will be submitting to this General Assembly regarding the results of the mission that he sent to Guatemala in July of this year, as well as the reaction of the Guatemalan Government to the commission model proposed by the United Nations. To a great extent, the decision of my Government regarding that commission will depend on the report and on the reaction of the Guatemalan Government.

Mr. Rosenthal (Guatemala) (*spoke in Spanish*): We wish, first of all, to thank the Secretary-General for having submitted to us his reports on the situation in Central America (A/58/270), the United Nations Verification Mission in Guatemala: renewal of mandate (A/58/262) and the eighth report on the United Nations Verification Mission in Guatemala (A/58/267). We are also grateful to the Group of Friends of the peace process in Guatemala, which has accompanied us on the long road towards following up on the situation in Central America in general, and that in Guatemala in particular. Our special thanks go to the Mexican delegation, which, year after year, has facilitated the preparation of a draft resolution on this subject. Of course, we associate ourselves with the statement made by the distinguished delegate of Costa Rica, who spoke on behalf of all the countries of Central America.

I am taking the floor on a very specific matter, and that is the fact that, for a number of years now — and more or less at this very same time — we have been dealing with the agenda item on the situation in Central America, including the situation in Guatemala. As you know, since 1994, a United Nations Verification Mission has been operating in our country. Its original purpose was to verify compliance with an agreement on human rights. In December of 1996, however, its mandate was expanded to help the parties to the peace agreements by carrying out tasks of verification, facilitation, provision of information to the public and good offices. These agreements continue to be works in progress, marked by advances as well as inadequacies and even setbacks, all of which are described in the reports to which I have referred.

I might add that, lately, the Secretary-General's reports have described more setbacks than advances. This is not the right place to go into the question of whether the right balance has been struck; for our part we do feel that there has been a tendency to underestimate the positive developments. We can, however, agree that the tasks which are still pending are numerous. Nor is this the right time to assign responsibilities for the less-than-fully-satisfactory overall situation that we face. There can be no doubt that the Government headed by President Alfonso Portillo has recognized its share of responsibilities, not so much in the sphere of its intentions, but rather in the implementation of the commitments. The fact is that since the process is as yet uncompleted, this would not be the appropriate time for withdrawing the Verification Mission.

This is why, in September 2002, as the distinguished representative of Mexico just recalled, President Portillo observed the following, and I quote:

> "My Government's term of office will expire in a little over a year, by which time the United Nations Verification Mission in Guatemala (MINUGUA) will be planning to withdraw. The Mission has played a fundamental role as the critical conscience of the State and has actively supported the changes that have taken place. We appreciate the work it has accomplished and we wish here to request the extension of the mission's mandate to the end of 2004, so that it may accompany us as we make a transition to a new administration. Our hope is that MINUGUA will hand its functions over in an orderly way to national bodies and, where appropriate, to the programmes and agencies of the United Nations system."

It was pursuant to that request, which, at that time, was supported by many countries, including the Group of Friends of the Guatemalan peace process, that the General Assembly, in renewing the mandate of the Mission for a further year through its resolution 57/161, asked the Secretary-General

> "to submit, as early as possible, an updated report to the General Assembly at its fifty-eighth session, together with his recommendations regarding the best way to accompany Guatemala in its peace-building process beyond 31 December 2003."

The Secretary-General, for his part, recommends in his report A/58/262, that the mandate of MINUGUA be extended for the period 1 January to 31 December 2004. He does so in view of the difficulties that continue to hobble the peace process and in order to cooperate with the new authorities, which, as a result of the electoral process to be held next Sunday, will take office in mid-January 2004. The intention of the extension is to ensure their commitment to the peace agreements. At the same time, the Secretary-General, having in mind the gradual transfer of functions from MINUGUA to government bodies and other United Nations agencies, proposes a significant reduction of the staff of MINUGUA.

The Government of Guatemala concurs fully with the Secretary-General's recommendations and requests all other Members of the Organization to do likewise. We believe that MINUGUA's continued presence in Guatemala for an additional year is indispensable for the reasons eloquently described in the report. We intend to strengthen the national bodies that will take over the functions that are still being performed by MINUGUA. We are also in the process of upgrading the status of the office in Guatemala of the United Nations High Commissioner for Human Rights. Furthermore, as the representative of Mexico also indicated, we are in consultations with the Secretariat regarding a new activity that would involve the United Nations in a new initiative being taken by the Government aimed at combating organized crime through a Commission for the Investigation of Illegal Bodies and Clandestine Security Apparatuses in Guatemala.

In conclusion, we wish to reiterate what was said here last year: we seek not to perpetuate but rather to extend the presence of MINUGUA in Guatemala. It is our hope that the members of the Assembly will join us in this endeavour, which will allow us to capitalize on the considerable investment in efforts and resources that has been made by the United Nations in helping Guatemalans to consolidate their process toward attaining peace, democracy and development.

Mr. Laurin (Canada): Canada congratulates the countries of Central America for their achievements in the pursuit of peace and democracy and for putting an end to the civil conflicts that had so severely affected the region. The celebration earlier this year of the tenth anniversary of the peace accords in El Salvador is an excellent reminder of how innovative approaches to ending civil conflicts can succeed by addressing the root causes of such conflicts and by transforming the institutions that had served to preserve the status quo.

Through the Canadian International Development Agency, Canada has targeted its development assistance to Central America over the past few decades towards addressing the root causes of the conflict, which include poverty, lack of access to basic social services, environmental degradation, agrarian reform, and the marginalization of women and indigenous groups. Canada recognizes that the countries of Central America continue to struggle with political, social and economic challenges that are often magnified by the vulnerability of the region to natural disasters. We commend their efforts to address many of these challenges, including measures that have been taken to strengthen economic cooperation, to open economies, to increase transparency and to strengthen political and social inclusiveness.

While there has undoubtedly been progress on many fronts, Canada remains concerned by evidence of continuing human rights abuses and the impunity with which these abuses continue to be committed. More work clearly needs to be done. For example, demilitarization remains as an important and necessary objective. In this regard, we welcome Guatemala's definitive demobilization of its Presidential General Staff, as well as the support the region gave to the project on preventing and combating the illegal trafficking of small arms and light weapons, which was approved in June 2003 during the XXVI Central American Security Commission meeting in Panama.

Canada is supportive of the Government of Guatemala's request to extend the United Nations Verification Mission in Guatemala (MINUGUA) for one more year, given that Guatemala will hold elections this month and that a new Administration is expected to take office in January 2004. It is Canada's hope that the incoming Government, as well as those State and non-governmental organizations involved in the implementation of the peace plan, will remain fully committed to meeting Guatemala's obligations under the 1996 Peace Accords. We do, however, expect that this will be the last extension of the Mission's mandate. Canada therefore encourages MINUGUA to work closely with Guatemalan State and civil society institutions to enhance their capacity to assume the roles and responsibilities of the Mission by the end of next year. In this regard, we welcomed the October 2002 signature of a memorandum of understanding between MINUGUA and the Guatemalan Special Prosecutor for Human Rights, in which they outlined the transition process ahead. Recognizing the detrimental impact that the existence of illegal armed groups and their links to organized crime has had on Guatemala's security and economic situation, Canada commends both Guatemala and the United Nations for their joint efforts to elaborate a mechanism to address these problems. We hope that such a mechanism can be finalized as soon as possible.

Finally, Canada shares the concerns outlined by the Secretary-General in his report on MINUGUA of 11 August 2003. In that report, the Secretary-General

emphasized the continuing deterioration of public security, the persistence of a culture of impunity, and a worsening climate of intimidation that includes attacks against human rights defenders, journalists and social and political activists. We urge the Government of Guatemala to take resolute steps in addressing these issues and to ensure that the upcoming elections take place in a safe and secure environment where all Guatemalans will feel free to exercise their vote without fear of intimidation or manipulation.

Mr. Løvald (Norway): In the years that have passed since the end of the armed conflicts in Central America, the main challenges facing the countries of that region have been the eradication of poverty and the protection of human rights. The key issues in that struggle, both past and present, are good governance, sustainable economic development, an end to impunity and the strengthening of civilian police structures.

As regards good governance, I would like to note that this is one of the main areas of Norway's cooperative efforts in the region. My Government fully endorses the conclusions of the report of the Secretary-General that significant efforts have already been made in tackling the problem of corruption. The recently concluded Consultative Group meeting held in Managua demonstrated broad and unanimous support for the Nicaraguan Government's impressive efforts in fighting corruption.

Another important aspect of governance is the need to depoliticize government agencies and the judicial system. Elections have taken place in an orderly and transparent manner over the past year, as was the case in El Salvador. In a few days, elections will be held in Guatemala and we are confident that the elections will be carried out in an orderly and transparent way, allowing all Guatemalan citizens to exercise their democratic rights without undue interference or pressure. We commend the efforts of the United Nations agencies and of the Organization of American States (OAS) in the preparations for the elections, and have supported these efforts through our cooperation with Guatemala. We also support the monitoring and verification of the election results by OAS and the Supreme Electoral Tribunal's voter registration campaign.

It is of paramount importance that the new Guatemalan Government, which will take over next January, continues to work actively for the implementation of the peace accords, important elements of which still need to be fulfilled. That is not to say that significant progress has not been made in a number of areas, such as anti-discrimination legislation and the development of a national reparations programme for the victims of human rights violations during the armed conflict. We are, however, concerned about some of the information contained in the Secretary-General's report in regard to the human rights situation in Guatemala. It is important that the necessary steps be taken to improve that situation. For that reason, we support the extension of the mandate of the United Nations Verification Mission in Guatemala for one more year.

It is an encouraging development that the Governments of Central America are now making use of international instruments adequate to resolve their border disputes in a peaceful manner. We fully support the call of the Secretary-General for the Governments of Belize and Guatemala to give serious consideration to the proposals made last year to end their border dispute.

Mr. Sevilla Somoza (Nicaragua) (*spoke in Spanish*): First, I would like to thank the Secretary-General for his very complete report on the situation in Central America (A/58/270). This report provides a summary of the developments in the past year in Central America, in particular, efforts to overcome the aftermath of the conflicts of the 1980s and to build equitable, democratic and peaceful societies.

My delegation associates itself with the statement made by the representative of Costa Rica on behalf of the Central American Group and we want to take this opportunity to comment on specific activities undertaken by Nicaragua in that regard.

The fight against impunity remains one of the central challenges confronting our region. The Nicaraguan Government recognizes that courageous and decisive action must be taken to combat the scourge of corruption, which is promoted by impunity. Corruption destroys the credibility of democratic institutions, it jeopardizes political stability and is dangerously linked to other dimensions of organized crime, such as drug trafficking, which undermines any society.

The Nicaraguan Government of President Enrique Bolaños has ambitiously undertaken one of the most ambitious tasks undertaken by Nicaragua to date: to

establish a new ethics and a new culture in public administration — one of probity, honesty and correct and efficient management of public funds — in order to confront and overcome the endemic evil of corruption. The policy seeks to ensure that government leaders and public officials live up to their responsibilities and behave in accordance with the expectations of our citizens — in other words, that they be honourable public servants and not potentates who take public resources for themselves.

Further to this effort, in order to promote the institutionalization of transparency, Nicaragua has established policies and systems for the control and auditing of public finances. Nevertheless, we do recognize that a great deal remains to be done to achieve the promise of expeditious and due justice. A functional judiciary can only be achieved by modernizing the whole system, giving judges and magistrates the proper tools to fulfil their mandate. That requires changes in existing legislation, reform of the current legal codes, training of legal personnel, establishment of a judicial career path and investment in physical infrastructure.

We appreciate the international community's support for our resolve to make civil service ethical and to organize the institutions of the State so that they respond to professional, non-partisan criteria. That support was evident at the Consultative Group meeting last month in Managua, which enjoyed broad participation by friendly countries and cooperating agencies.

Nicaragua has also undertaken initiatives to transform its military and security forces in accordance with democratic principles. At the meeting of Central American Presidents in Guatemala on 17 July of this year, President Bolaños presented a draft programme for the limitation and control of weapons in Central America, designed to achieve a reasonable balance of forces in the region and to promote stability, mutual confidence and transparency. His proposal was enthusiastically and unanimously welcomed by his Central American counterparts and was subsequently submitted to the Central American Security Commission for implementation. That Commission, at its twenty-seventh meeting held last month in El Salvador, complied with the request of the Presidents of the region to set a timetable for the implementation of the programme within a 14-month period.

In this way — following up effectively on the United Nations Programme of Action to Prevent, Combat and Eradicate the Illicit Trade in Small Arms and Light Weapons in All Its Aspects — Nicaragua will serve as the headquarters of the Central American project for the control of the illicit trade in small arms and light weapons, thus implementing the Inter-American Convention against the Illicit Manufacturing of and Traffic in Firearms, Ammunition, Explosives and Other Related Materials.

While the fragmentation and the cult of personality that characterize Central American political parties can yield political gains in the short term, in the long term they discourage political participation by the people, undermine the credibility of democratic institutions and hamper the progress of the country. Recognizing the fact that sustainable development requires long-term planning, the Nicaraguan Government presented the National Development Plan to the political, economic and social stakeholders in Nicaragua and to the international community. It is our hope that, having been enriched by the input of all sectors of Nicaraguan society throughout the country, the Plan will serve as a map and a compass to guide us, so that Nicaragua can achieve long-term sustainable development at the social, economic, environment and organizational levels.

Mr. Lagos Pizzati (El Salvador) (*spoke in Spanish*): I should like at the outset fully to associate myself with the statement made by Ambassador Bruno Stagno Ugarte, the Permanent Representative of Costa Rica, who addressed the plenary this afternoon on behalf of all the members of the Central American Integration System, of which we are a member.

During most of the 1980s, my country, El Salvador, was involved in an internal crisis, in a Central America characterized by dangerous upheaval. But today, El Salvador is a transformed society that looks to the future with optimism as a result of the historic commitments that made that transformation possible.

We Salvadorans are extremely proud of the courage and determination that led us to adopt, through dialogue and cooperation, the important covenants that not only put an end to war but that also have made us into a new and peaceful society that has once again embarked on the path towards development. In this new society, day by day we are witnessing the further

consolidation of what once was only an aspiration — full respect for human rights, democratization and our reconciliation.

All of those lofty aspirations have now been achieved, but we Salvadorans are aware that we have the obligation daily to continue to build on the achievements recorded, and that the task of consolidating them can never be considered complete. It is on the basis of that firm and unswerving conviction that we envisage El Salvador's future in terms of the democratic and equitable nation to which we aspire.

The achievements registered by the Salvadoran people and the commitments undertaken by our Government prompted the Secretary-General to report to the General Assembly that the role of verification of the United Nations in El Salvador had at last been completed. That was a source of deep satisfaction for us, and we wish to reiterate our deep appreciation to the entire international community for having helped us throughout this successful process.

We wish to thank in particular all those countries that are members of the Group of Friends for the peace process in El Salvador, the Secretary-General and all Secretariat personnel who were directly or indirectly involved in the exercise of building a new El Salvador. To each and every one, we wish to say that future generations in EL Salvador will always be profoundly grateful to them and will hold them in the deepest esteem.

El Salvador has now begun a new chapter in its history, and we are tackling, in a spirit of optimism, our greatest challenge: the comprehensive development of our Salvadoran and Central American society. Since we abandoned the use of weapons as a means of expressing our views, we have succeeded in recovering much of what was lost during all those years of violence and destruction. We all are involved in that process, despite having had to contend with destructive natural disasters that might well have laid waste to more than one region or country with characteristics like ours.

We are aware, however, that much remains to be done, and that we are facing major threats that could lead to setbacks. In that context, we welcome the report submitted by the Secretary-General on the situation in Central America, in which he highlights some of the challenges that we are now confronting. Indeed, we agree that we must now redouble our efforts in order to meet those challenges successfully.

We are also grateful for the offers made by some members of the international community and by the United Nations to continue to support us in our process. In a world of upheaval threatened by irrational violence and terror, we cannot afford to forget about past successes or to overlook those achievements that make clear, more than ever before, the importance of tackling our problems in a collective and united manner, with the firm conviction that we are building a better world.

The President: The General Assembly has this concluded this stage of its consideration of agenda item 26.

The meeting rose at 6.20 p.m.